

MAYOR & COUNCIL AGENDA COVER SHEET

MEETING DATE:

April 19, 2004

CALL TO PODIUM:

Louise Kauffmann
Grants Administrator

RESPONSIBLE STAFF:

Louise Kauffmann
Grants Administrator

AGENDA ITEM:

(please check one)

<input type="checkbox"/>	Presentation
<input type="checkbox"/>	Proclamation/Certificate
<input type="checkbox"/>	Appointment
<input type="checkbox"/>	Public Hearing
<input type="checkbox"/>	Historic District
<input type="checkbox"/>	Consent Item
<input type="checkbox"/>	Ordinance
<input type="checkbox"/>	Resolution
<input checked="" type="checkbox"/>	Policy Discussion
<input type="checkbox"/>	Work Session Discussion Item
<input type="checkbox"/>	Other:

PUBLIC HEARING HISTORY:

(Please complete this section if agenda item is a public hearing)

Introduced	
Advertised	02/11/04
Hearing Date	03/01/04
Record Held Open	30days
Policy Discussion	

TITLE:

Proposals for the Expenditure of FY '05 Community Development Block Grant Funds

SUPPORTING BACKGROUND:

Under the Community Development Block Grant (CDBG) program of the U.S. Department of Housing and Urban Development (HUD), up to 15 percent of each year's allocation may be used for public service grants. In July, 2004, the City will receive \$534,000, with \$80,100 available under this category.

Between February and April 2004, the City received nine applications for CDBG public service funding. All proposals submitted met the national objective of benefiting low-moderate income and special-needs households.

In the cases where existing contracts will be renewed, the renewal date will follow by one day the expiration date of the current year's contract. New public service contracts will be executed as of July 1, 2004.

An internal team carefully reviewed each proposal for eligibility, timeliness, cost effectiveness and benefit to the population. Staff is recommending the following organizations for funding under CDBG:

Montgomery College, American Red Cross, Home Care Partners, Rebuilding Together, Community Clinic, Inc., Mobile Medical Care Clinic, Inc. Stepping Stones Shelter, and Housing and Community Initiatives, Inc.

For your review, we have summarized those projects recommended as well as those not recommended for funding.
(Continued...)

DESIRED OUTCOME:

Guidance on FY05 CDBG funding

SUPPORTING BACKGROUND (Continued)

Projects recommended for funding:

Montgomery College \$12,000 (2nd year of funding)

Funds will provide scholarships for low-income Hispanic adults enrolled in the Montgomery College's Workforce Development & Continuing Education's Hispanic Business and Training Institute. Students would be responsible for a portion of the course costs, with the City contributing approximately 70 percent. Priority will go to City residents with children at local schools who receive Free and Reduced Meals (FARMS), the indicator of poverty used by MCPS.

American Red Cross, Montgomery County Chapter \$4,600 (2nd year of funding)

The Red Cross will expand its Shoppers Program to Gaithersburg residents which matches trained volunteers with households unable to shop independently. In addition to shopping assistance, the volunteers offer friendship, companionship, and informal case management to their clients.

During the second year, the Red Cross will add two components to the Shopper's Program. In response to heightened terrorist alerts in the metropolitan DC area, the Red Cross will provide emergency preparedness information and supplies. This will be tremendously helpful to this particularly vulnerable, home-bound population. Secondly, through a new source of funding, the Red Cross will be able to provide emergency access to food for these elderly and disabled populations.

Home Care Partners \$16,200 (2nd year of funding)

This agency supports the needs of the elderly/disabled population through a contract with the City by providing light housekeeping and non-medical personal care to eligible households. In-home services will include assistance with bathing, personal hygiene, light housekeeping, and planning and preparation of nutritious meals. The City will also contract with Home Care Partners for a paraprofessional home care aide training program through scholarships to provide training for two City residents to acquire home care aide certifications. This 12-week program will enhance job opportunities for low-income residents of Gaithersburg interested in participating in the program.

Rebuilding Together (formerly Christmas in April) \$5,050 (2nd year of funding)

Volunteers in the Handyman Program tackle minor and emergency home repair needs of households unable to pay for or undertake the repairs themselves. Some of the services through this program would include installation of smoke alarms, grab bars, air conditioner units, and handrails; minor plumbing and electrical repairs and minor carpentry and painting (both interior and exterior). The volunteer handyman will also make repairs to homes for minor code violations.

Each year, volunteers tackle a major home renovation during "Project Day". This year two City households have been selected.

Housing and Community Initiatives, Inc. (HCI) \$5,500

HCI submitted a request for \$18,700 to provide homeownership (pre- and post-homeownership counseling) through individualized sessions and through a series of educational seminars tailored to the needs of moderate-income households interested in purchasing a home or those who are in danger of losing their homes. Staff recommendation of \$5,500 reflects proposed salary costs. Requests for operating costs were declined as these are not additional costs required to operate this program, but ongoing costs that HCI normally incurs.

Stepping Stones Shelter \$17,000

Housing stability for low-and moderate-income persons in Gaithersburg (and Montgomery County as a whole) can be very tenuous. Rising rents, poor credit and insufficient income combine to make this population susceptible to housing crises. According to the Comprehensive Housing Affordability Strategy (CHAS) report prepared by HUD using 2000 census data particular to Gaithersburg, 54 percent of elderly and small households at or below median household income pay an unacceptably high monthly housing cost (rent and utilities) in relation to their income. Thirty-six percent of all households (renter and homeowner occupied) at median household income or below are paying too much towards their housing costs.

To address this crisis, the City entered into a contract with the Upper Montgomery Assistance Network (UMAN) in FY04 to provide bi-lingual housing and homeownership counseling to approximately 175 Gaithersburg households. As a result of internal staffing changes, UMAN withdrew from this project and did not reapply for FY05 funding.

Given that the national objectives set by HUD for the use of CDBG funds are to target the housing and community development needs of low-and-moderate income residents, staff was concerned about the loss of this valuable resource for these households.

For FY05 CDBG funding, Stepping Stones Shelter submitted an application to replace the loss of UMAN's housing counseling program for renters. Fifteen hours a week will be provided by an experienced housing counselor, of which 10 hours (2/3 of the contract) would be devoted to working with and on behalf of homeless families and families facing eviction to obtain and maintain housing. Five hours a week would be devoted to developing relationships with landlords, management companies and realtors that will benefit both City residents and staff. In addition, the housing counselor will create and maintain a current data resource guide of available housing.

Although Stepping Stones Shelter is in Rockville its location will not affect its ability to serve and advocate for City residents, as Human Services would offer space on an as-needed basis and most contacts will be at the residents' homes.

In addition, the City is proposing to set aside \$6,500 in public service funds, which will be made available to Stepping Stones Shelter as a last-resort for City of Gaithersburg families and households facing eviction referred by the Stepping Stones housing counselor. This money will be used once all other resources have been provided and after staff from Neighborhood Services, Human Services and the City Manager's office have reviewed and approved the request. We believe that this source of additional CDBG funds will make a tremendous difference in the success of this program.

Community Clinic, Inc. (CCI) \$ 8,333 (2nd year of funding)

CCI will provide four hours of primary care service each Saturday (8:30 a.m. to 12:30 p.m.) at its Solomon Health Center in Olde Towne Gaithersburg. The continued funding will pay for personnel costs and some miscellaneous operating costs associated with the added Saturday hours. The FY04 CDBG funds Community Clinic received were originally allocated to the Spanish Catholic Center (SCC). When SCC's Gaithersburg Medical Clinic closed abruptly last summer, the City had to reallocate those grant funds.

Mobile Medical Care, Inc. (Mobile Med) \$5,000 \$ (2nd year of funding)

With CDBG public service funding, Mobile Med will continue to provide four hours of health care each week to low-income and uninsured City residents with chronic medical conditions. Mobile Med will provide such care through the

services of a second mobile medical vehicle at the Church of the Ascension site each Tuesday. Mobile Med's first vehicle ("Moby") continues to provide a full day of primary health care services at the Church every Tuesday. Beginning this month (April, 2004), a new and smaller mobile medical vehicle ("Hummy") will provide a half day of medical care, focusing on intensive and comprehensive health care services for persons with chronic diseases. The FY05 funding will pay for personnel costs associated with providing an additional vehicle for a half day each week. The CDBG funds that Mobile Med received with FY04 funds were originally allocated to the Spanish Catholic Center.

Projects not recommended for funding:

Spanish Catholic Center (SCC) \$20,000

The Spanish Catholic Center recently reopened in Gaithersburg (at a new location off of Deer Park Road.) Services offered from this new site include immigration, English classes (ESOL) and employment counseling. The SCC requested \$20,000 to support an expansion of their existing ESOL classes and to improve training for both paid staff and volunteer teachers. Based on information provided within the application, they anticipated a 5 percent increase of students in FY05 – from approximately 408 to 430 students. We felt that this small increase in services did not warrant funding.